

## Message Text

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SUBJECT: SOUTH CAROLINA TRADE MISSION - JIDDA AND RIYADH WRAP-UP

1. THE SOUTH CAROLINA IOGA TRADE MISSION WAS A MISSION OF SUPERLATIVES - THE MOST MEMBERS, THE MOST APPOINTMENTS, THE LARGEST RECEPTION, THE MOST TRADE LEADS, AND THE LARGEST RESPONSE FROM THE SAUDI GOVERNMENT AND BUSINESS COMMUNITY. JOINT VENTURE POSSIBILITIES AND TRADE LEADS WERE OF SUCH MAGNITUDE THAT MISSION LEADER GOVERNOR JOHN WEST INTENDS TO LEAD ANOTHER MISSION (NON--IOGA) TO SAUDI ARABIA WITHIN A MONTH. THE MISSION SUCCEEDED NOT ONLY IN ECONOMIC TERMS, BUT ALSO IN PROMOTING U.S. FRIENDSHIP AND GOODWILL TO ALL LEVELS OF SAUDI SOCIETY. END SUMMARY.

2. JIDDA: SOUTH CAROLINA IOGA TRADE MISSION ARRIVED JIDDA ON FRIDAY, APRIL 23 AT 0100. MISSION MEMBERS WERE GIVEN AN INTRODUCTORY BRIEFING AT EMBASSY BY COMATT THE FOLLOWING MORNING, AND THEN SPENT THE AFTERNOON ENJOYING THE SUN AND SEA AT "THE CREEK," JIDDA'S MAKE-SHIFT RESORT AREA 30 KILOMETERS NORTH OF THE CITY.

3. MISSION SPENT THE FOLLOWING 1 1/2 DAYS MEETING WITH JIDDA BUSINESSMEN AND SEVERAL GOVERNMENT OFFICIALS, INCLUDING PRINCE FAWAZ, GOVERNOR OF MECCA PROVINCE.

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RECEPTION AT EMBASSY WAS ATTENDED BY 110 PEOPLE,

THE LARGEST RECEPTION FOR ANY TRADE MISSION THIS YEAR.

4. MISSION BROCHURES DID NOT ARRIVE, AND ADVANCE WORK BY EMBASSY COMMERCIAL STAFF WAS SERIOUSLY HAMPERED. HOWEVER, DESPITE INITIAL FEARS OF DISASTER, THE SHORT PERIOD OF 1 1/2 DAYS YIELDED TRADE LEADS FAR EXCEEDING OUR MOST OPTIMISTIC FORECASTS. ONE MEMBER WAS CONTRONTED WITH THREE JOINT VENTURE PROPOSALS FOR MANUFACTURING, ANOTHER WAS APPROACHED FOR A & E SERVICES ON A \$20 MILLION PROJECT, ANOTHER DISCUSSED A JOINT VENTURE ARRANGEMENT FOR MAJOR ROAD CONSTRUCTION (HE FLEW BACK TO JIDDA DURING RIYADH VISIT TO PURSUE DISCUSSIONS), SEVERAL OTHERS REPORTED PROMISING LEADS ON REPRESENTATION AGREEMENTS, AND THE SOUTH CAROLINA GOVERNMENT MEMBERS OF THE MISSION WERE EXPOSED TO LEADS, PRIMARILY IN THE CONSTRUCTION - CONTRACTING FIELD, WHICH TOTALLED, BY EMBOFF'S ROUGH ESTIMATE, WELL OVER \$250 MILLION.

5. SOUTH CAROLINA MISSION MEMBERS DISCERNED THAT THESE LEADS WERE NOT SIMPLY RIPE CHERRIES READY TO BE PICKED, BUT INVOLVED A LOT OF CULTIVATION IN TERMS FO FOLLOW UP VISITS, LINING UP SOUTH CAROLINE FIRMS OR CONSORTIUMS LARGE ENOUGH TO HANDLE THE PROJECTS, AND APPOINTING REPRESENTATIVES OR OPENING AN OFFICE TO INSURE TIMELY COMMUNICATIONS BETWEEN INTERESTED PARTIES. GOVERNOR WEST DECIDED IT WAS APPROPRIATE TO LEAD ANOTHER DELEGATION TO SAUDI ARABIA WITHIN A MONTH. THIS GROUP WOULD BE COMPOSED PRIMARILY OF CONTRACTORS. IN ADDITION, SEVERAL OF THE MEMBERS OF THE CURRENT MISSION INTEND TO RETURN SOON, AND SEVERAL HAVE INVITED SAUDIS TO VISIT THEIR FIRMS IN SOUTH CAROLINA.

6. RIYADH: MISSION MEMBERS MET WITH MORE HIGHLY-PLACED SAG OFFICIALS THAN ALL PREVIOUS IOGA MISSIONS TO SAUDI ARABIA THIS YEAR COMBINED. APPOINTMENTS WERE ARRANGED PRIOR TO AND DURING THE

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MISSION VISIT WITH THE FOLLOWING: HRH PRINCE MIT'AB BIN ABDULAZIZ, MINISTER OF PUBLIC WORKS AND HOUSING; HRH PRINCE MAJID BIN ABDULAZIZ, MINISTER OF MUNICIPALITIES AND RURAL AFFAIRS; HRH PRINCE MISHAAL BIN ABDULAZIZ, FORMER MINISTER OF DEFENSE AND AVIATION; HE SULIMAN SALAIM, MINISTER OF COMMERCE; HE GHAZI GASAIBI, MINISTER OF INDUSTRY AND ELECTRICITY; HE DR. ALAWI KHAYYAL, MINISTER OF

POST, TELEPHONES AND TELEGRAPH; HE OMAR TAWFIQ, MINISTER OF COMMUNICATIONS; HE HISHAM NAZER, MINISTER OF PLANNING; FAROUK AKHDAR, SECRETARY GENERAL, ROYAAL COMMISSIONS FOR YENBO AND JUBAIL, MINISTRY OF PLANNING; DR. REDA ABBAR, DIRECTOR, INDUSTRIAL STUDIES AND DEVELOPMENT CENTER; AND A NUMBER OF DEPUTY MINISTERS, ASSISTANT DEPUTY MINISTERS, AND OTHER GOVERNMENT OFFICIALS.

7. THE RESPONSE BY THE SAUDI GOVERNMENT WAS UNPRECEDENTED IN TERMS OF NUMBERS, RANK, AND INTEREST. POLITICAL DISCUSSIONS FREQUENTLY DOMINATED IN VISITS WITH MINISTERS, ALTHOUGH MISSION MEMBERS WERE WELL AWARE THAT THESE WERE ESSENTIALLY PROTOCOL-ORIENTED MEETINGS.

8. THE DIRECTOR GENERAL OF THE RIYADH CHAMBER OF COMMERCE HELD A RECEPTION FOR THE MISSION THE EVENING AFTER ARRIVAL. ATTENDANCE WAS SPARSE, BUT MISSION MEMBERS APPRECIATED THE GESTURE, AND PRESENTED THE DIRECTOR GENERAL WITH A PLAQUE FROM THE STATE OF SOUTH CAROLINA.

9. RIYADH STOP WAS ENVISIONED AS AN INFORMATION AND PROTOCOL-ORIENTED VISIT, BUT RESULTED IN A SURPRISING NUMBER OF TRADE LEADS. ONE MEMBER REPORTED \$2 MILLION IN SALES EXPECTED NEXT YEAR, TWO OTHERS REPORTED \$500,000 IN SALES NEXT YEAR EXPECTED, ANOTHER REPORTED 3 LEADS, WITH ONE CONTRACT TO BE SIGNED SHORTLY FOR CONSULTING SERVICES, AND ANOTHER RECEIVED SEVERAL OFFERS FOR AGENCY REPRESENTATION.

10. DR. PALMER, EXECUTIVE DIRECTOR, SOUTH CAROLINA STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION, UNCLASSIFIED

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MADE A SLIDE PRESENTATION AT THE INSTITUTE OF TECHNICAL EDUCATION IN RIYADH BEFORE 26 SAG EDUCATION OFFICIALS. DR. PALMER REPORTED AN ENTHUSIASTIC AND INQUISITIVE RESPONSE BY THE ATTENDEES, AND INTENDS TO PURSUE THE POSSIBILITIES FOR SOUTH CAROLINA PARTICIPATION IN SAUDI VOCATIONAL TRAINING PROGRAMS EITHER THROUGH THE U.S.-SAUDI JOINT ECONOMIC COMMISSION OR DIRECTLY WITH THE SAUDI MINISTRY OF EDUCATION OR LABOR AND SOCIAL AFFAIRS.

11. COMMENTS: EMBOFF MUST CONFESS A HIGH DEGREE OF ANXIETY PRIOR TO ARRIVAL OF A 15 MEMBER TRADE MISSION, WITHOUT RECEIVING MISSION BROCHURES AND WITH ONLY A SAMPLER OF COMPANY CATALOGS. NEVERTHELESS, MISSION PROCEEDED WITHOUT MISHAP, PRIMARILY

DUE TO THE ENTHUSIASM, PATIENCE, AND FLEXIBILITY OF THE MISSION MEMBERS, THE UNTIRING EFFORTS OF ROBERT WHITTAKER IN "ROUNDING UP THE TROOPS" AND MAINTAINING FIRM DIRECTION THROUGHOUT, THE SINGULARLY EFFECTIVE HANDLING OF GOVERNMENT APPOINTMENTS BY GOVERNOR WEST (WHOSE POSITION AS FORMER GOVERNOR UNDOUBTEDLY WAS A MAJOR FACTOR IN THE SAUDI RESPONSE), AND A HIGH DEGREE OF LUCH.

12. THE MISSION WAS FORTUNATE THROUGHTOUT, WITH EVENTS FALLING NATURALLY INTO PLACE AS IF SAUDI ARABIA WERE MAGICALLY TRANSFORMED INTO AN ORGANIZED, EFFICIENT NATION. MEMBERS WERE CONTINUALLY REMINDED OF THE HIGH PROBABILITY OF PITFALLS AROUND EVERY CORNER IN SAUDI ARABIA, AND IF THEY WERE NOT SUBJECTED TO THESE MISADVENTURES, THEY CERTAINLY WITNESSED ENOUGH OF THEM (EG, THE PORT OF JIDDA, FLOODED STREETS IN RIYADH, TRAFFIC PROBLEMS, ETC.).

13. IT IS CLEAR THAT THE INITIAL GROUNDWORK HAS BEEN LAID FOR A LONG, FRIENDLY, AND LUCRATIVE RELATIONSHIP BETWEEN THE STATE OF SOUTH CAROLINA AND THE KINGDOM OF SAUDI ARABIA. THE SUCCESS OF THE MISSION WAS A TRIBUTE TO THE EFFORTS OF GOVERNOR WEST AND THE SOUTH CAROLINA DEVELOPMENT BOARD TO

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